

STATEMENT BY CINDY EHNES ON KAISER KIDNEY TRANSPLANT CENTER

May 10, 2006

Good morning. My name is Cindy Ehnes and I am director of the Department of Managed Health Care. I am here today regarding an issue of utmost concern – which is to protect California patients and ensuring that they receive the right care at the right time.

Over the week, the public has been made aware of some very serious allegations facing Kaiser Permanente's northern California kidney transplantation center in San Francisco. This program was established within the Kaiser facility with the goal of facilitating kidney transplants for patients and coordinating care within the integrated Kaiser system.

Unfortunately, this program has encountered numerous alleged issues concerning patient management, administrative barriers and poor customer service that are alleged to have compromised patient health.

Immediately upon receiving a complaint, the DMHC initiated an investigation in mid-March concerning the operation of Kaiser's kidney transplant services, its medical and administrative capacity, and the availability and accessibility of care in Northern California. We requested information from Kaiser and they responded, in part, last week.

Based on the preliminary information received, the DMHC felt it was important to move quickly to coordinate the responsibilities of public agencies to ensure patient safety. Therefore, we met yesterday with senior Kaiser officials and presented them with several conditions that must be fulfilled immediately in order to continue the program.

Kaiser has cooperated to date to address concerns and ensure that their patients are safe and that they receive the life-changing transplants they need, either at Kaiser or elsewhere.

As a result of yesterday's meeting, Kaiser will do the following:

- Kaiser will contact each of the patients on their kidney transplant list and, in consultation with the plan's treating physician, allow any

patient to receive their transplant at either the University of California San Francisco Medical Center or UC Davis Medical Center when an organ becomes available, if they choose. When the time comes for a patient to have their procedure elsewhere, they will not need any further authorization from Kaiser to go to these alternate facilities. Kaiser has already begun contacting their members and will ensure that every wait-listed enrollee is satisfied with their planned course of treatment.

- Kaiser will make the necessary changes to its program to demonstrate to the DMHC that it has sufficient clinical and administrative procedures in place to arrange or furnish transplant services. If capacity issues arise in the future and the center cannot provide transplantation services, Kaiser will provide access and referral to other non-Kaiser facilities.
- By May 16, Kaiser will submit a plan to the DMHC that will provide information about the number of members on kidney transplant wait lists at Kaiser San Francisco, UCSF, and UCD, with corresponding wait times; ensure that members have access to their medical records and wait time information; and coordinate with the United Network for Organ Sharing (UNOS), and other applicable facilities to make sure the members have appropriate placement on the waiting list and are credited with their accrued waiting time.
- The DMHC's HMO Help Center will oversee an independent external group of experts in the field commissioned by Kaiser to review the entire transplant program. Our goal is to ensure that best practices are put in place, and that patients are receiving the care they need.

We've moved quickly on this situation because patient safety is paramount. In addition to working directly with Kaiser, the DMHC is coordinating with other State and federal regulatory agencies to fully investigate problems and these reviews will continue.

Our goals at this stage are to:

- Take immediate steps to have kidney transplants available for Kaiser patients
- Make sure that no patients dropped off any lists during the transition from UCSF to Kaiser
- Make sure that no Kaiser patients have lost any eligibility in list placement due to the transition

Although our concern is centered on the safety of Kaiser kidney patients and their ability to get the care they need, I am also concerned that these problems not raise concerns in the minds of consumers about the entire Kaiser system or services provided by other health plans.

We are taking strong action today to correct the current situation and will take strong additional action if needed. The men and women providing health care within these plans provide excellent service and consumers should not be concerned about wide-spread problems within the industry. The current situation is not an indication of the quality of health care services received every day by more than 20 million Californians.

If patients do have concerns, however, the DMHC's HMO Help Center is here to offer assurances and answer questions. We operate a 24-hour toll free consumer hotline and urge consumers to call if they are having a problem with their health plan so that our staff can help resolve it quickly. (IF asked, 1-888-HMO-2219.)

As director of the DMHC, I assure you that we will hold all health plans accountable, and do everything within our power to ensure that patients receive quality health care.

I'd now like to invite Mary Ann Thode, president, northern California region, Kaiser Foundation Health Plan to say a few words. I'd also like to thank her and the Kaiser organization for working with us in the best interests of the patients.